

## Message Text

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43

ACTION EB-07

INFO OCT-01 EUR-12 EA-07 ISO-00 SS-15 TRSE-00 NSC-05 INR-07

CIAE-00 SP-02 L-03 OMB-01 /060 W

----- 008004

R 051020Z NOV 75

FM AMEMBASSY BERN

TO SECSTATE WASHDC 1626

INFO AMEMBASSY SEOUL

AMEMBASSY CANBERRA

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY ROME

AMEMBASSY THE HAGUE

AMEMBASSY TOKYO

AMEMBASSY LONDON

AMEMBASSY PARIS

AMEMBASSY BONN

AMEMBASSY STOCKHOLM

AMEMBASSY HELSINKI

AMEMBASSY MOSCOW

USLO PEKING

AMEMBASSY DUBLIN

C O N F I D E N T I A L BERN 4566

EO 11652: GDS

TAGS: EFIN KN PFOR EEC SZ

SUBJ: NORTH KOREAN DEBT PAYMENTS

REF: SEOUL 8428

1. DURING A CONVERSATION ON OTHER SUBJECTS, EMBOFF RAISED THE QUESTION OF NORTH KOREAN DEBT PAYMENTS WITH SWISS DIVISION OF COMMERCE OFFICIAL (MAX KRELL) WHO IS DESK OFFICER FOR US AND BOTH KOREAS. KRELL SAID THAT THE SITUATION IN SWITZERLAND IS MIXED; NORTH KOREANS ARE COMPLETELY UP-TO-DATE IN PAYMENT OF BOTH INTEREST AND PRINCIPAL TO SOME SWISS FIRMS, PARTICULARLY WATCH  
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EXPORTERS, AND IN VARYING DEGREES OF ARREARS WITH

OTHERS, PRINCIPALLY THE BANKS.

2. KRELL SAID THAT WHILE NORTH KOREAN INDEBTEDNESS TO SWISS COMPANIES AMOUNTS TO "SOME MILLIONS OF FRANCS," THIS IS A RELATIVELY SMALL AMOUNT COMPARED TO THE AMOUNTS OWED TO WEST GERMANY AND OTHER EUROPEAN COUNTRIES. HE INDICATED THAT NORTH KOREAN DEBTS ARE NOT A SERIOUS PROBLEM FOR THE SWISS AT THIS TIME.

3. WITH REGARD TO OTHER COUNTRIES, KRELL EXPRESSED THE BELIEF THAT NORTH KOREA AND ITS EUROPEAN CREDITORS PREFER TO HANDLE DEBT PROBLEMS ON BILATERAL BASIS. FOR THIS REASON SOME CREDITOR COUNTRIES ARE FARING BETTER THAN OTHER. HE SAID HE WAS NOT AWARE OF ANY MILTILATERAL MORATORIUM ON REPAYMENT OF PRINCIPAL AGREED TO AT PARIS MEETING IN JULY OR SUBSEQUENTLY. BILATERAL MORATORIUMS COULD HAVE BEEN REACHED, HOWEVER, WITH INDIVIDUAL WESTERN EUROPEAN COUNTRIES, BUT KRELL HAD NO KNOWLEDGE OF SUCH AGREEMENTS.  
KEMPE

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** DEBT REPAYMENTS, LOAN AGREEMENTS, DIPLOMATIC COMMUNICATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 05 NOV 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** CunninFX  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
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**Previous Handling Restrictions:** n/a  
**Reference:** 75 SEOUL 8428  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** CunninFX  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 29 APR 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <29 APR 2003 by BoyleJA>; APPROVED <30 SEP 2003 by CunninFX>  
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**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** NORTH KOREAN DEBT PAYMENTS  
**TAGS:** EFIN, PFOR, KN, SZ, EEC  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006